

## **NIH POLICY MANUAL**

### **55010 - CO-FUNDING ASSISTANCE AWARDS**

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#### **A. Purpose:**

This issuance states the policy and procedures for processing assistance awards when two or more NIH institutes, centers, or divisions (ICDs) have agreed to co-fund.

#### **B. Applicability:**

This policy is applicable to all NIH assistance awards (grants (including fellowships) and cooperative agreements).

#### **C. Background:**

ICDs and trans-NIH committees have long recognized that there are certain research and research training activities in which two or more ICDs may have a mutual interest in co-funding assistance awards. These procedures were established to allow for the co-funding of assistance awards.

#### **D. References:**

1. NIH Manual Chapter [1165](#) - Interagency and Intra-agency Agreements: Sets forth NIH responsibilities for the management and control of agreements (e.g., those to acquire or provide studies, services, supplies, advice, or counsel) with other Departments or agencies as well as agencies of the DHHS.
2. NIH Manual Chapter [4513](#) - Review of NIH Programs and Grant and Cooperative Agreement Applications By National Advisory Councils and Boards: States the NIH policy for the management and review of applications by National Advisory Councils or Boards.

#### **E. Definitions:**

1. Administering ICD: the ICD that has the primary assignment of the assistance award and is responsible for management of the award in consultation with the participating ICD(s). The administering ICD is the ICD referenced in the award number.
2. Assistance awards: grants (including fellowships) and cooperative agreements.
3. CAN (Common Account Number): a seven-character number that appears on the Notice of Grant Award (NGA) and accounting documents indicating the appropriation and allowance to be charged.

4. Co-funding: an agreement by two or more ICDs to jointly participate in the support of an assistance award. For the purposes of the Division of Research Grants (DRG), co-funding occurs when more than one CAN is used to jointly fund a single award.

5. Participating ICD: an ICD that has a mutual interest with the administering ICD in a program area and participates in co-funding award(s) made by the administering ICD.

#### **F. Policy:**

ICDs will follow the procedures set forth in this issuance when co-funding assistance awards. Intra-agency agreements should be used when ICDs jointly fund contract awards or awards with other DHHS components. See NIH Manual Chapter 1165 referenced above for the policy and procedures for inter- and intra-agency agreements.

A co-funded award will count as competing for the administering ICD, except in those circumstances in which the administering ICD is not providing any funds. In that case, the ICD contributing the greatest total (direct and indirect) obligation of funds to the award will count the award as competing.

#### **G. Alternative Funding Methods:**

One of the following funding methods will be used when co-funding assistance awards:

1. Multiple CAN Method - The multiple CAN method is used when it is in the mutual interest of two or more ICDs to co-fund assistance awards and all ICDs contribute to funding each award.

2. Single CAN Method - The single CAN method is used when it has been decided by two or more ICDs that they have a mutual interest in a program area (Request for Application or Program Announcement), but only one ICD contributes to funding each award. In such an arrangement, one ICD may solely fund some awards while another funds the remaining awards. If one ICD funds an award, and another ICD administers the award, DRG considers it to be a jointly-funded award, and the policy and procedures in this chapter apply.

If one ICD both administers and fully funds an assistance award using only one CAN, DRG does not consider it a jointly-funded award, but ICDs may programmatically consider it part of a jointly-funded program. In this case, the procedures in this chapter do not apply; the award is processed as an individually-funded award. The administering ICD may choose to acknowledge the programmatic interest of the other ICD(s) in a customized footnote on the NGA.

#### **H. Implementation:**

The procedures outlined below will be used with both the multiple and single CAN method.

## 1. Agreement

When two or more ICDs determine that there is a mutual interest in co-funding an assistance award, they may develop a written agreement of understanding between or among the participating and administering ICDs' program and grants management staffs. The agreement may apply to an individual award or an entire program of awards, and sets forth information such as:

- a. the single ICD that will be responsible for administering the assistance award(s);
- b. the amount of direct and indirect funding support that each ICD proposes to provide for the first year, as well as direct costs for all future years of support;
- c. if applicable, the method of announcing the joint ICD involvement, e.g., RFA or PA;
- d. the type of information (e.g., the number of copies of the applications, progress reports, etc.) that will be furnished by the administering ICD to the participating ICD(s); and
- e. the use of any unobligated balances during the interim budget periods, if the funding mechanism does not provide for automatic carryover from one budget period to the next.

Such a written agreement is optional for activities where the administering and participating ICDs feel that the Grants Management Worksheets include all the important details.

## 2. Council/Board Approval

When an ICD is contributing more than \$50,000 direct costs per year to an award, it must have Council/Board approval of the application. An application that would result in an award of more than \$50,000, shared by two or more ICDs contributing less than \$50,000 direct costs per year, requires approval only by the Council of the administering ICD. Under \$50,000 direct costs per year, a co-funded application may or may not need Council/Board approval, depending on the authority of the individual ICD.

## 3. Funding and Award Procedures

- a. Individual Worksheet Preparation. The administering ICD will complete a Grants Management Worksheet (either electronic or hard-copy) for each of the participating ICDs (unless otherwise waived in the co-funding agreement), including one for that portion of funding in which it will participate. The worksheet will identify that portion of total direct costs and associated indirect costs in which that ICD will participate for the current budget period, and the total direct costs in which it will participate for future budget periods. The amount of funds for future budget periods should not be changed unless there is

agreement to do so between or among the participating and administering ICDs. Individual budget categories need not be shown on the worksheet prepared for the participating ICD(s). In the section of the form titled "Administrative Remarks (for staff purposes)" the administering ICD will indicate in capital letters "CO-FUNDING," and identify the name and CAN of the participating ICD. If a participating ICD contributes funds via more than one CAN, the administering ICD will prepare a separate Grants Management Worksheet for each CAN used.

The administering ICD will prepare Grants Management Worksheets for each of the participating ICDs for each future year of the approved project period.

b. Approval of the Individual Worksheets. The administering ICD will deliver the completed Grants Management Worksheet to the participating ICD.

The participating ICD's Grants Management Officer (GMO) will sign the Grants Management Worksheet and return it to the administering ICD. (Note: The signature of the GMO authorizes the issuance of the award and the availability of funds. Additional signatures should be obtained on the Grants Management Worksheet to satisfy individual ICD procedures as needed.)

c. Master Co-Funding Worksheet. The administering ICD will prepare a "MASTER CO-FUNDING" Grants Management Worksheet and will so indicate in the "Administrative Remarks" section. The direct costs to be awarded will be shown by budget categories. The "Administrative Remarks" section will show the total (direct and indirect) amount of funds contributed by individual ICD CANs for the current budget period, and the direct costs to be contributed in future years.

d. Other Responsibilities of Administering ICD. The administering ICD is responsible for insuring that the NGA shows the proper amount of funding contributed and the proper CAN for each ICD. In addition, the administering ICD is responsible for AIDS coding when appropriate, and for receipt of all necessary assurances prior to award.

The program and/or grants management staff of the administering ICD will consult with the participating ICD's program and/or grants management staff on those matters pertinent to their responsibilities if there are any non-routine matters that develop.

#### 4. Notice of Grant Award

The block on the NGA for "Awarded By" will include only the name of the administering ICD. In the "Remarks" area on the NGA, there will be a footnote reading "FUNDING:", followed by each of the ICDs' initials, the specific amounts contributed by each ICD, and the CANs to which these funds are charged. This is shown in order to provide appropriate recognition of the degree and extent of participation of each ICD. (Note: Under the single CAN method, when one ICD is administering and another is funding an award, only the information pertaining to the funding ICD will

appear in the Remarks area on the NGA.)

The appropriate official(s) of the administering ICD will sign the NGA. (The participating ICD official responsible for obligating funds has previously signed the Grants Management Worksheet indicating the availability of funds for co-funding. The administering ICD will maintain the signed individual worksheets for documentary purposes.) The administering ICD will forward the award to the recipient, with a copy to the GMO of each participating ICD.

#### 5. Acknowledgements

Acknowledgement of individual ICD participation in a co-funding arrangement will be clearly shown on the following: (1) the NGA stating which ICDs participated in co-funding (see section H.4.), and (2) NIH annual publications and monthly news releases showing the amount of funding by each ICD.

#### 6. Final Unobligated Balances

The Division of Financial Management will return any final unobligated balance to the administering ICD. In circumstances where the unobligated balance exceeds the amount contributed by the administering ICD in the final budget period, DFM will apportion the remainder to the participating ICD(s) in proportion to its funding during the final year of support.

#### 7. Final Reports

Unless otherwise provided for in the written agreement between or among the ICDs, the administering ICD will provide a copy of the final progress report and final invention statement to the participating ICD(s).

#### **I. Effective Date:**

This policy is effective on date of release.

#### **J. Additional Information:**

For more information on this chapter contact the NIH Grants Policy Office, OER, Building 31, Room 5B50, 496-5967.

#### **K. Additional Copies:**

For extra copies of this chapter, submit a Form NIH-414-5 "Request for Manual Chapter," to the Printing and Reproduction Branch, Division of Technical Services, Building 31, Room B4B-N-09.